

## Message Text

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10

ACTION NEA-12

INFO OCT-01 ADP-00 AID-20 PM-07 NSC-10 SS-15 RSC-01 L-03

OMB-01 TRSE-00 IGA-02 EB-11 CIAE-00 INR-10 NSAE-00

MC-02 RSR-01 /096 W

----- 037631

R 240836 Z JUN 73

FM AMEMBASSY KUWAIT

TO SECDEF/ DSAA

INFO CDRAMC ALEXVA/ AMCIL- MS

CDRTACOM WARRENMI

DA/ DALO- ILS- D

SECSTATE WASHDC 6968

C O N F I D E N T I A L KUWAIT 2193

E. O. 11652: GDS

TAGS: MASS KU

SUBJ: FMS KUWAIT

REF: ( A ) KUWAIT 1990 DTG 110913 Z JUN 73

( B ) SECDEF 4722, DTG 202028 Z JUN 73

1. AS INDICATED IN REF A, OUR REASON FOR NOT CHANGING TANK UNIT COST WAS BASED ON POSSIBLE ADJUSTMENT TO THREE PERCENT CHARGE IN NOTE 15 TO 1513, INLAND TRANSPORTATION. BELIEVE THIS CHARGE IS INCLUDED IN BOTH \$301,334 AND \$316,880 UNIT COST AND SHOULD NOT BE DUPLICATED IN ACCESSORIAL. IF IT IS A DUPLICATION, THE "316,880 CASE SHOULD BE REDUCED BY \$1,568,556.00 TO A NEW TOTAL VALUE OF \$86,333,042.17. THE REMAINING DIFFERENCE BETWEEN THE CASES IS \$1,332,489.32.

2. THE KUWAITI ARMY HAS SERIOUSLY CONSIDERED PURCHASE OF CHIEFTAIN TANKS AND ONLY MAJOR ADVANTAGE M60 A1 HAS ACCORDING TO KA IS AN AIR- COOLED ENGINE WHICH IS MORE EFFICIENT IN PROLONGED DESERT USE THAN CHIEFTAIN WATER- COOLED ENGINE. ALSO KA NOT OVERLY IMPRESSED WITH THE DEMONSTRATION OF M60 A1 RECEIVED IN EUROPE AND WERE DISAPPOINTED IN NOT SEEING THE ADD- ON STABILIZATION

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KIT AS THEY EXPECTED. AS REPORTED, NOTWITHSTANDING THESE DIFFICULTIES BUT DUE TO EFFORTS OF TEAM, WE BELIEVE THE M60 A1 HAS 80 PERCENT CHANCE OF BEING ACCEPTED IF NO FURTHER SURPRISES ARE GIVEN TO KA. IN DISCUSSION BETWEEN DA REP AND KMOB CHIEF PROCUREMENT OFFICER IT WAS LEARNED THAT KA INTENDED TO INCREASE THEIR BUDGET BY 10 PERCENT OR MORE TO COVER PARA 5 G(1) DD FORM 1513 CONDITIONS. THE \$1.332 MILLION IN PARA 1 ABOVE CAN BE CORRECTED DURING ARMY BILLING PROCESS SINCE IT IS WELL WITHIN THE 10 PERCENT AND WOULD NOT REQUIRE FORMAL NOTIFICATION BY AMENDED 1513 OF INCREASE IN PRICE.

3. IF ABOVE RATIONALE IS ACCEPTABLE, REQUEST PERMISSION TO CONTINUE WITH ORIGINAL L/ O. IF EXCEPTION IS TAKEN, PLEASE ADVISE IMMEDIATELY SO WE MAY WITHDRAW THE ORIGINAL CASE BEFORE IT IS SIGNED AND SUBMIT THE NEW CASE.

MCCLELLAND

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NNNNMAFVVZCZ

\*\*\* Current Handling Restrictions \*\*\* n/a

\*\*\* Current Classification \*\*\* CONFIDENTIAL

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 JUN 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973KUWAIT02193  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** n/a  
**Film Number:** n/a  
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**Original Handling Restrictions:** n/a  
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**Page Count:** 2  
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**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 73 KUWAIT 1990 DTG 110913 Z JUN 73, SECDEF 4722, DTG 202028 Z JUN 73  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 02 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <02-Jan-2002 by boyleja>; APPROVED <14-Jan-2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
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**TAGS:** MASS, KU  
**To:** DOD  
NEA INFO CDRA,C ALEXVA/AMCIL-MS  
CDRTACOM WARRENMI  
DA/DALO-ILS-D  
STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

